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<u>REMARKS</u>

Statement of Substance of Interview

The undersigned Applicant's representative conducted an interview with the Examiner on November 16, 2006.

During the interview, the following was discussed:

- 1. Brief description of exhibits or demonstration: draft claims 1-4, set forth here as new claims 36-39
 - 2. Identification of claims discussed: Claims 36-39
 - 3. Identification of art discussed: Okajima JP 4-0203781A
 - 4. Identification of principal proposed amendments: None
- 5. Brief identification of principal arguments: Okajima does not disclose the twotier payment structure recited in the new claims.
 - 6. Indication of other pertinent matters discussed: None
- 7. Results of Interview: Applicant will file the present amendment to include new claims 36-39.

It is respectfully submitted that the instant STATEMENT OF SUBSTANCE OF INTERVIEW complies with the requirements of 37 C.F.R. §§1.2 and 1.133 and MPEP §713.04.

Pending Claims

Prior to entering this Amendment, claims 1-35 were all the claims pending in the application. With this Amendment, Applicant cancels claims 1-35 without prejudice or

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disclaimer. Applicant expressly reserves the right to prosecute the canceled claims in a

continuation application.

New Claims

New claims 34-39 are added, as discussed in the interview. A distinguishing feature

recited in the replacement claims is the calculation of a usage fee based on elapsed usage time

and two-tier pricing that charges a fixed price per time up to a predetermined usage time and

thereafter charges an increasingly higher variable price per time that is a disincentive to usage of

the parking space beyond the predetermined usage time. These claims are supported in the

specification at least at: page 17, lines 5 to 26; page 18, lines 10 to 14; page 19, lines 10 to 15;

and page 39, lines 1 to 4.

A distinguishing feature of the replacement claims, which is not found in the prior art of

record, can be summarized as two-tier parking pricing that is a combination of usage-insensitive

flat-rate pricing and usage-sensitive variable rate pricing.

Specifically, the combination of usage-insensitive flat-rate pricing and usage-sensitive

variable rate pricing efficiently allocates shared parking space which is in fixed supply. The

usage-insensitive flat-rate pricing component gives users an incentive to limit their usage of

parking space to a time limit that is beneficial to shared usage. The time limit (or overstay limit)

is selected by parking space providers based on parking capacity and parking demand. After the

time limit, the usage-sensitive variable rate pricing gives users a disincentive to continue usage.

Usage of the parking space after the time limit is self-regulated by the price sensitivity of users

or their willingness to pay increased parking prices. The two-tier pricing of the invention

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therefore enables efficient allocation of shared parking spaces by encouraging short-duration users with fixed low prices, and giving long-duration users a choice to pay increasingly higher parking prices.

The invention also enables providers of parking spaces to efficiently manage their usage and congestion by selectively varying the components of the two-tier pricing scheme. In addition, the usage-sensitive variable rate pricing component maximizes revenue from long-duration users of parking spaces by obviating unissued and unpaid monetary penalties for overstaying time limits. Conventional monetary penalties for overstaying time limits discourage efficient usage of parking spaces because even a very brief overstay attracts a fixed penalty charge that is independent of the duration of the overstay. This is the case with the Okajima reference, discussed in more detail below. Conventional overstay penalties, such as the one described in Okajima, therefore do not give long-duration users any choice about the duration of their overstay or any incentive to reduce its duration.

This distinguishing feature of the replacement claims is not disclosed or suggested by any combination of the primary and supplemental references.

The primary reference US 5,648,906 ("Amirpahani") contains a generic disclosure of different flat-rate pricing for different locations. That is, the rate charged at each location is simply a fixed price per time. There is no suggestion of the claimed combination of usage-insensitive flat-rate pricing and usage-sensitive variable rate pricing that becomes increasingly more expensive as overstay duration increases.

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The first supplemental reference US 5,648,906 ("Anthonyson") contains a generic disclosure of different flat-rate pricing for different "conditions", such as the date/time of usage (entry and exit times, days of the week, etc), the type of account, and the type of vehicle. That is, the rate charged for each condition is simply a fixed price per time. Again, there is no suggestion of the claimed combination of usage-insensitive flat-rate pricing and usage-sensitive variable rate pricing that becomes increasingly more expensive as overstay duration increases. The only specifically exemplified rates are discount rates (see column 8, lines 6 to 10 and column 9, line 64). Discount rates give users an incentive to continue their usage, which in turn discourages usage efficiency and increases congestion. Anthonyson therefore teaches away from the claimed invention.

The second supplemental reference JP 402093781 ("Okajima") discloses charging a penalty if "short-time" parking is exceeded. The penalty exceeds the "general" charge. Okajima therefore merely discloses adjusting charges between three separate flat-rate pricing components, namely short-time pricing, general pricing and penalty pricing. However, there is no disclosure or suggestion that any of Okajima's three separate pricing components include usage-sensitive variable rate pricing that varies the price per time over the duration of usage. Okajima therefore does not suggest the claimed combination of usage-insensitive flat-rate usage-sensitive variable rate pricing that becomes increasingly more expensive as overstay duration increases.

It is respectfully submitted that new claims 36-39 are non-obvious in light of the prior art.

In view of the above, reconsideration and allowance of this application are now believed to be in order, and such actions are hereby solicited. If any points remain in issue which the

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Examiner feels may be best resolved through a personal or telephone interview, the Examiner is kindly requested to contact the undersigned at the telephone number listed below.

The USPTO is directed and authorized to charge all required fees, except for the Issue Fee and the Publication Fee, to Deposit Account No. 19-4880. Please also credit any overpayments to said Deposit Account.

Respectfully submitted,

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